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ABSTRACT

This study investigated corporate attitudes toward giving to American higher education in order to contribute insight into corporate philanthropy and to facilitate better understanding and improve university and college fund raising strategies. The research design used was ex post facto. A survey instrument was developed to collect attitudinal and demographic data of corporate donors. The survey was sent to the entire population of United States Fortune 500 industrial and service companies. Of these 243 returned questionnaires useable for the study. Underlying attitudinal dimensions and company profiles were identified through R-factor and Q-factor analyses and the relationships of the components of attitudes, the company profiles, the level of giving, and the perception of the importance of tax benefits with respect to corporate giving were analyzed through multiple linear regression. One of the major findings of the study was that corporate giving is based on business interest rather than on altruism. The analysis also revealed that demographic characteristics of companies as represented in the profiles were more predictive of the level of corporate giving than were the components of attitudes. Included are 7 tables and 29 references. (JB)

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CORPORATE PHILANTHROPY IN AMERICAN HIGHER EDUCATION: AN INVESTIGATION OF ATTITUDES TOWARDS GIVING

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ELSBETH MEUTH

CORPORATE PHILANTHROPY IN AMERICAN HIGHER EDUCATION: AN INVESTIGATION OF ATTITUDES TOWARDS GIVING

SYNOPSIS

The purpose of this study was to investigate corporate attitudes toward giving to American higher education and, thus, to contribute to a deeper insight into corporate philanthropy for the sake of facilitating a better understanding that could improve fundraising strategies employed at universities and colleges.

The literature review provided an insight into the historical development of corporate philanthropy from the early 1900's to the present. Particular consideration was given to the Tax Reforms of 1981 and 1986 for the sake of identifying the impact of public policy on corporate giving. Furthermore, an overview of forms of corporate giving reaching from monetary to non-monetary contributions was delineated. A section on the rationale for corporate giving illuminates the underpinnings and motivators of corporate philanthropy.

Since prior studies in the area of corporate philanthropy built the foundation for the research at hand, an extensive part of the literature review was dedicated to the research on corporate attitude toward giving. These studies include findings by the Conference Board (1976), Vasquez (1977), White and Bartolomeo (1982 & 1987), Smith (1983), Anderson (1983), Cain and Cain (1985), McElroy and Siegfried (1986), Corcoran (1987), Navarro (1988), Tudor (1988), and Varadarajan and Menon (1988).

The problem of the investigation was the following: In an effort to bring forth a better understanding of corporate attitudes toward giving to American higher education, this study was designed to identify the relationships between attitudes of corporate donors (as measured by cognitive, behavioral, and affective tendencies), company profiles (based on demographic characteristics), preferences in giving to certain types of donee institutions and academic fields, corporate perception of the importance of tax benefits, and the companies' willingness or likelihood of giving to higher education.

The research design used in this study was ex post facto. The researcher developed a survey instrument to collect attitudinal and demographic data of corporate donors. The survey was sent to the entire population of U.S. Fortune 500 industrial and service companies (one thousand corporations minus fifteen Saving and Loan institutions). Three hundred and sixty-eight companies responded. Out of this total, 61 companies indicated that they do not give to higher education, 64 companies indicated that they do not respond to surveys, and 243 companies returned

the questionnaire. Underlying attitudinal dimensions and company profiles of corporate donors were identified through R-Factor and Q-Factor analyses, respectively. The relationships of the components of attitudes, the company profiles, the level of giving, and the perception of the importance of tax benefits with respect to corporate giving were analyzed through multiple linear regression.

One of the major findings of this study was that corporate giving to American higher education is based on business interest rather than on altruism. Although this point of view has been voiced anecdotally by leaders in the philanthropic and business communities in the past, the study at hand provides the empirical research support for this view. If indeed business interest is a major motivational factor prompting corporations to give to universities and colleges, fundraisers and administrators might be advised to consider this aspect in their solicitations.

The analysis revealed that demographic characteristics of companies as represented in the profiles were more predictive of the level of corporate giving than the components of attitudes were. The researcher infers from these findings that taking company profiles into consideration when conducting prospect research of corporations might yield the most effective way of matching corporate donors with donee institutions. On the other hand, the indication that the components of attitudes were found to be predictive of companies' perceptions of the value of being philanthropic based on altruism suggests that corporate donors might believe that they give for altruistic reasons. Knowing of this belief, fundraisers might incorporate this knowledge in their fundraising pitches when approaching companies.

By identifying profiles of companies this study provides an observational tool for grant seeking administrators. These profiles could enable them to distinguish between types of companies based on their giving behavior, giving program, and/or philanthropic management. The study is the first of its kind which offers the notion of company profiles to fundraisers in order to identify more quickly and effectively appropriate corporate donors.

An additional suggestion arises out of the findings with respect to the companies' projection to increase funding to secondary and elementary education while maintaining the same level of giving to higher education over the next 5 years. In order to address a societal as well as corporate concern regarding the improvement of pre-college education, universities and colleges might consider developing collaborations with secondary schools. This will provide opportunities to the higher educational community to participate in a possible amelioration of pre-college education while coordinating fundraising efforts with the secondary educational community and, thus, enabling higher educational institutions to continue to receive funds at increasing levels.

FUNDING SOURCES

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Furthermore, we would like to thank the Center for Taxation Studies, a joint program of the School of Law and the College of Business Administration at the University of Akron, for making availabe partial funds for the mailing of the survey. Especially, our thanks go to Richard Metcalf, Director of the Center.

ABSTRACT

The purpose of this study was to investigate corporate attitudes toward giving to American higher education. Thus, it is hoped that the study contribute to a deeper insight into corporate philanthropy for the sake of facilitating a better understanding that could improve fundraising strategies employed at universities and colleges.

The problem of the investigation was the following: To identify the relationship between attitudes of corporate donors (as measured multidimensionally by cognitive, behavioral, and affective components), company profiles (based on demographic characteristics), and the companies' willingness or likelihood of giving to higher education.

The research design used in this study was ex post facto. The researcher developed a survey instrument to collect attitudinal and demographic data of corporate donors. The survey was sent to the entire population of U.S. Fortune 500 industrial and service companies (one thousand corporations minus fifteen Savings and Loan institutions). Three hundred and sixty-eight companies responded. Out of this total, 61 companies indicated that they do not give to higher education, 64 companies indicated that they do not respond to surveys, and 243 companies returned the questionnaire.

Underlying attitudinal dimensions and company profiles of corporate donors were identified through R-Factor and Q-Factor analyses, respectively. The relationships of the

components of attitudes, the company profiles, the level of giving, and the perception of the importance of tax benefits with respect to corporate giving were analyzed through multiple linear regression.

The findings based on inferential statistics strongly supported the notion of enlightened self-interest and business interest (including research & development, tax incentives, and social responsibility) as reasons for corporate philanthropy in American higher education. The data indicated, however, that the respondents' attitudes were not predictive of the level of corporate giving, while the demographic characteristics of companies were found to be predictive of the level of giving. Furthermore, based on descriptive statistics, projected increase in future giving to secondary education suggested greater competition for higher education in securing corporate funds. This projection by corporations might alert American universities and colleges to develop innovative fundraising strategies for the 1990's.

Introduction

The phenomenon of philanthropy reaches back to the origins of human civilization and continues to be one of life's mysteries (Joseph, 1989). From the founding of the first college during the colonial years with the support of the philanthropist John Harvard in 1638 to the present, American higher education has been thriving and depending on philanthropic giving by individuals, religious groups, foundations, and corporations. At the conclusion of World War II business leaders started to address the needs and concerns of the academic community in an organized fashion. The development of corporate support of American higher education since then is reflected in the increased amount of giving, from $30 million per year prior to 1950 to nearly $1.8 billion in 1988 (Smith, 1988).

This study focuses exlusively on attitudes held by U.S. Fortune 500 companies. The results of the study are intended to provide an observational tool for fundraisers, development officers, and administrators at American universities and colleges -- a tool absent so far from a research point of view.

The need for a study on corporate attitudes with respect to giving to American higher education arises when considering the following current conditions:

1) In the late 1980's the Indiana University Center on Philanthropy, along with other centers around the country, decided to develop a knowledge base in the newly emerging field of philanthropy for the sake of better understanding the

background, motivations, and conditions of voluntary action and philanthropic behavior in this and other societies (Indiana University Center on Philanthropy, 1991). The Center has an annual national fellowship program for doctoral candidates pursuing distinctive research in the area of philanthropy. This study was funded under the 1991/92 fellowship year.

2) A number of prior studies investigating attitudes, values, and behavior of corporate donors with respect to charitable giving were conducted during the 1970's and 1980's. However, none of them examined attitudinal perspectives held by business towards giving to higher education in particular, save one.

3) The years between 1980 and 1986 were marked by an upsurge in corporate charitable support as mentioned by Smith (1988), while the years since then have shown little growth beyond the 1986 giving levels. Reasons for this change might lie in corporate restructuring such as takeovers, internal management policy changes (Rosebush, 1988), acquisitions and leveraged buyouts as well as growing domestic and foreign competition (Klepper, 1989).

4) With the globalization of the market place, international development has become an area of opportunity for universities and colleges to explore. Consequently, this opens up new possibilities for corporate philanthropy overseas.

5) The onset of a recession at the turn of the 1990's might impact corporate profits negatively and, thus, effect

business support for higher education.

6) The increase in corporate giving to secondary education during the late 1980's presents further competition for the higher education community in the area of securing private dollars (Baily, 1988). According to a Fortune Magazine survey, graduate programs received 57% in corporate support while high schools received support at the 55% level during 1989. The reverse order became true during 1990 when high schools became the recipients of 58% of company contributions compared with 52% received by graduate schools (Kuhn, 1990).

7) According to development officers (Marsden, 1991) in the area of corporate relations, a shift in corporate giving from private to public institutions of higher education has taken place during the decade of the eighties.

In order to successfully face the challenge of competitive fundraising within the academic community, corporate attitudes toward philanthropic giving to higher education need to be recognized, understood, and known by college and university presidents, administrators, development officers, and faculty.

Purpose of the Study

The purpose of this study was to investigate corporate attitude toward giving to American higher education and, thus, contribute to a better understanding of corporate philanthropy in order to improve fundraising strategies employed at universities and colleges. Considering the fact that private support has become increasingly more important in balancing institutional

budgets and maintaining the financial well-being of both public and private universities and colleges, the neccessity for a sound and thorough understanding of corporate attitudes towards philanthropic giving to higher education becomes evident. The researcher assumes that improved understanding of corporate attitudes will enable college and university administrators to more effectively communicate their needs, interests and requests to corporate donors. According to Anderson (1983), corporate donor attitudes and behaviors towards giving to higher education have hardly been explored.

Statement of the Problem

In an effort to better understand corporate attitudes toward giving to American higher education, this investigation was designed to identify the relationship between attitudes (as measured multidimensionally by cognitive, affective, and behavioral components), company profiles (demographics) and a company's willingness or likelihood to give to higher education.

Research Questions

The investigation of this study was guided by the assumption that institutions of higher education which are able to identify corporate interests and concerns and possess greater awareness of corporate attitudes toward giving will be more likely to utilize effective strategies to garner funds or higher levels of funds from companies. The following research questions were investigated:

1. Is there a relationship between attitudes of corporate

donors and their level of giving to higher education?

2. Is there a relationship between attitudes of corporate donors and their perceptions of the value of being philanthropic?

3. Is there a relationship between company profiles and their perceptions of the value of being philanthropic?

4. Do companies indicate preferences in giving to certain types of institutions and academic fields?

5. Is there a relationship between attitudes of corporate donors and their perception of tax incentives?

6. Is there a relationship between a company's attitudes and giving behavior, its industrial affiliation, its Fortune 500 ranking, etc.

Methodology

The study employed an ex post factor research design. The researcher developed a survey instrument to collect attitudinal and demographic data of corporate donors. Underlying attitudinal dimensions and company profiles of corporate donors were identified through R-Factor and Q-Factor analyses, respectively. The relationships of the components of attitudes, the company profiles, the level of giving, and the perception of the importance of tax benefits with respect to corporate giving were analyzed through multiple linear regression.

Prior Studies

As a field of research, corporate giving is still young. The following compilation of prior quantitative studies

represents the existing empirical research body in the area of corporate philanthropy and attitude:

1. The Conference Board (Harris and Klepper, 1976) surveyed chairmen and presidents of major corporations regarding reasons for giving.

2. Vasquez (1977) presented a compilation of data on all corporate contributions between 1935 and 1970.

3. White and Bartolomeo (1982, 1988) reported on attitudes and motivations for giving of chief executive officers.

4. Smith (1983) compiled "A Profile of Corporate Contributions" representing all giving by U.S. companies during 1977.

5. Anderson (1983) researched executive attitudes toward corporate philanthropy.

6. Cain and Cain (1985) presented an economic analysis regarding the nature of corporate giving.

7. McElroy and Siegfried (1986) investigated community influence on corporate contributions.

8. Corcoran (1987) examined attitudes of institutional shareholders, individual shareholders, and corporate philanthropy executives.

9. Navarro (1988a) explored why corporations give to charity.

10. Navarro (1988b) investigated the question of why corporations give to charity from the standpoint of profit- and utility-maximization.

11. Tudor (1988) examinined values and corporate philanthropy.

12. Varadarajan and Menon (1988) proposed cause-related marketing as a coalignment of marketing strategy and corporate philanthropy.

Corporate attitudes toward giving to education in general, or higher education in particular, has not been investigated so far. It is hoped that this study will expand the current research base on corporate philanthropy and facilitate a better understanding of corporate culture and attitude in relation to supporting American higher education.

Delimitations

The delimitations of this study were related to the exclusive selection of the population of U.S. Fortune 500 industrial and service companies. Attitudes of global (international) Fortune 500 companies were not surveyed in the study. The findings pertain only to colleges and universities. Other forms of postsecondary education such as vocational schools, proprietary institutions, and the like were disregarded.

Because cash giving is the principle form of corporate philanthropy (White and Bartolomeo, 1982), the study investigated practices with respect to contributions of cash or cash equivalents, neglecting other forms of giving, such as in kind donations, volunteerism, etc.

Attitude Theories

The theoretical foundation for this study can be found in attitude theories developed over the past thirty years. Allport (1968) claims that attitude is "the most distinctive and indispensable concept in contemporary American social psychology" (p. 59). Ajzen and Fishbein (1975) indicate that "concepts such as attitude, attraction, attribution of disposition, liking, and behavioral intentions have been used to account for a wide variety of interpersonal behaviors" (p. 1). The notion of behavioral intention (Ajzen and Fishbein, 1975) is called response or behavioral tendency in the present study. Behavioral intention mediates between attitude and behavior. When dealing with corporate attitudes toward giving to higher education, the researcher of this study is concerned with corporations' predisposition to behave rather than with the behavior itself. Therefore, the distinction between behavioral intention (tendency) and actual behavior needs to be made (Ajzen and Fishbein, 1975). Applying this theory to corporate attitudes and potential corporate behavior provides the hypothesis that corporate attitudes are predictive of corporate behavior.

The conceptual framework of the study is built on a multidimensional approach to investigating and measuring corporate attitudes. There is nothing in the literature which refers or alludes to the phenomena of multidimensionality and corporate attitudes. However, based on attitude theories (Ajzen and Fishbein, 1975), the researcher expected that corporate

attitudes were related to a company's actual behavior with respect to giving. Therefore, the present study investigated the multidimensionality of corporate attitudes reflected in the cognitive, affective, and behavioral dimensions. The study did not concern itself with the dimension of actual behavior.

The three aspects (1) the cognitive, (2) the affective, and (3) the response disposition were defined and measured for the purpose of this study in the following way: 1. The cognitive dimension is characterized by thinking, perceiving, remembering, and believing. The cognitive component was measured by the Likert Scale, a standard attitude scale (Ajzen and Fishbein, 1975).

2. The affective dimension includes likes, dislikes, and feelings an individual has towards an object. The Semantic Differential Scale, again a standard attitude scale (Ajzen and Fishbein, 1975) provided the instrument to measure the affective component.

3. The response dimension of an attitude reflects the behavioral aspects connected with the attitude. The behavioral (response) component was measured by the Behavioral Differential Scale, a standard attitude scale developed by Triandis (1964).

Description of the Population

A list of the Fortune 500 largest U.S. industrial corporations and of the Fortune 500 largest U.S. service corporations was used as published in Fortune Magazine (Autry & Colodny, 1990, Kretchmar & Labate, 1990). It provided the total

population of one thousand corporations minus fifteen Saving and Loan Companies (S&L's). These S&L's had to close in 1990/91 because of mismanagement and consequent bancruptcies.

Instrumentation

The research instrument for this study was developed by the researcher based on three rating scales, the Likert, the behavioral differential, and the semantic differential scales. Since research in the domain of attitudinal tendencies towards corporate philanthropy is virtually non-existent, no prior instrument was available to be replicated or used in any way. The instrument was designed as a mail questionnaire consisting of five parts:

Reliability of the Instrument

Cronbach's alpha was used to estimate internal consistency. In addition to Cronbach's alpha, some items were intentionally repeated under different formal scales and then correlated. This further supported the reliability of this instrument. A reliability estimate where Cronbach's alpha = .6 or above is considered reliable (Cronbach, 1951). Reporting on reliability estimates of the Morale Scale, Cronbach indicates an alpha range of .6 to .7. Therefore, a Cronbach's alpha at .6 or above will be accepted as reliable in the context of this study.

Employing the program TESTAT on Statistical Analysis Systems (SAS6) the overall reliability for the current study was measured by Chronbach's alpha = .9005; the reliability estimate for the cognitive scale was Cronbach's alpha = .6057; the

reliability estimate for the behavioral scale was Cronbach's alpha = .5703. The reliability for the affective scale was measured for each concept individually. The reliability estimates were identified in the following way: For the affective scale concept 1 Cronbach's alpha = .7865, for the affective scale concept 2 Cronbach's alpha = .8746, for the affective scale concept 3 Cronbach's alpha = .8693, and for the affective scale concept 4 Cronbach's alpha = .8618.

Validity of the Instrument

Expert judge validity, content validity, and construct validity were evaluated.

Expert judge validity was estimated by having experts in the area, namely the representatives of five Fortune 500 Companies in a pilot study to evaluated each item. The items were assessed by their appropriateness and their ability to measure relevant attitudes of corporate donors as they relate to the likelihood of making a decision with respect to their level of giving to higher education. Content validity was established by the use of a table of specifications (this was not done totally in isolation of the expert judges but interactively). Some of the categories and items in the table of specifications were based upon the review of the literature and the expert judges' recommendations.

Construct validity was estimated in at least three ways. The first way was based on the theoretical construct of attitudes that were considered multidimensional (cognitive,

behavioral, affective). This form of measurement allowed to add the items. The second way was to factor analyze the scales, which again supported the multidimensionality of attitudes. Kaiser Factor matching was done to show the stability of the factors. Nevertheless, the components could not be categorized as purely cognitive, behavioral, or affective but rather appeared multidimensionally within each scale. Three factors emerged for the cognitive component, three factors for the behavioral component, and four factors for the affective component.

The third way to estimate construct validity was to identify the relationships between the cognitive, behavioral, and affective components. These relationships should not be perfect but significantly correlated. That is, if companies have a positive concept (positive affect) they are more likely to give. These correlations were significant yet not neccessarily very high. This indicates the relations one would expect from the theoretical-nomological net which further provides support for construct validity.

List of Variables

1. Level of giving (LOG);

2. Perception of the value of being philanthropic in terms of altruism (ALT) and enlightened self-interest (ESI) as measured by items 13 and 4 in Section I of the questionnaire;

3. Components of attitudes as identified by cognitive (FC1-FC3), behavioral (FB1-FB3), and affective factors (FA1-FA4) (see following page for description of factors);

4. Company profiles (PR1-PR4) based on demographic characteristics (see following page for description of profiles).toward giving provides the background for its perception of the value of a corporation's philanthropic involvement. This hypothesis addresses the relationship between corporate attitudes and the companies' perceptions of the value of being philanthropic.

Data Collection

The survey was mailed to all 985 U.S. Fortune 500 companies (total population of 1000 Fortune 500 industrial and Fortune 500 service companies minus 15 Savings and Loan companies that closed during 1990/1991. A total of 368 companies or 38% of the total population responded. Of these 368 companies 243 companies or 25% of the total population returned the completed questionnaire, 61 companies or 6% of the total population responded by indicating that they do not give to higher education, and 64 companies or 6% of the total population

indicated that they do not respond to surveys as a matter of company policy.

The rate of 38% of company responses in this study compares with response rates of similar studies in the following way:

1. The Conference Board study (Harris and Klepper, 1976) reported a 35% response rate of a mail survey.

2. Anderson (1983) reported a 24.5% response rate of a mail survey.

3. Tudor (1988) reported 31% response rate of a mail survey.

Statistical Procedure

In order to test the hypotheses, the items of the three attitudinal scales were R-factor analyzed and the items referring to demographics of a company were Q-factor analyzed. With respect to the R-Factor analysis, each of the scales was analyzed using an orthogonal factor analysis with varimax rotation. In order to estimate stability, Kaiser's Factor Matching technique was used to determine the stability in factor structure for each of the scales (cross validation). The hypotheses were tested at a .05 alpha level. Prior studies on companies' attitudes of corporate philanthropy have used various alpha levels ranging from .01 to .10 (Navarro, 1988a, alpha at .02; Navarro, 1988b, alpha at .02 and .05; McElroy and Siegfried, 1986, alpha at .01, .05, and .1).

A power estimate (Cohen, 1977, Newman & Benz, 1979) was calculated for an N of 243 at an alpha level of .05.

Power for small effect size (f = .02) = .24
Power for medium effect size (f = .15) = .99
Power for large effect size (f = .35) = >+.99

Additionally, the hypotheses were statistically tested by using a two-tailed test of significance.

Results

When asked about their level of giving to higher education between 1987 and 1990, 106 companies (44.0%) indicated that their giving level had increased, 103 companies (42.7%) that their giving level had remained stable, and 32 companies (13.3%) that their giving level had decreased.

Attitudinal Constructs (R-Factors)

For the cognitive scale three underlying constructs or factors were identified. For the behavioral scale three underlying constructs or factors were identified. The factor analysis for the affective component clearly demonstrated that the four concepts that were identified and evaluated through the bi-polar differiential adjectives were indeed measuring four separate constructs. Therefore, the four factor names coincide with the original concepts of enlightened self-interest, research and development (R&D), tax incentives, and corporate giving accounting for 43% of all affective items that were factor analyzed. The following ten factors were identified:

1. Three cognitive Factors
    - 1.1 Social responsibility (FC1);
    - 1.2 Business interest for giving (FC2); and
    - 1.3 Research & development/taxes (FC3)

2. Three behavioral Factors

2.1 Altruism (FB1);

2.2 Self-interest for giving (FB2); and

1.3 Prestige (FB3);

3. Four affective Factors

3.1 Enlightened self-interest (FA1);

3.2 Research & development (FA2);

3.3 Tax incentives (FA3); and

3.4 Corporate giving (FA4).

Profiles of Companies (Q-Factors)

The profiles for the companies (N = 243) were calculated resulting in 4 typologies. The following four company profiles were identified:

1. Structured giving program/giving to higher education at an increased level (PR1);

2. Priority in giving to charity/usually structured giving program/giving to higher education at a constant level (PR2);

3. Philanthropically senior management controlled/ selective in giving/giving to higher education at a decreased level (PR3); and

4. Priority in giving to higher education/ less structured giving program.

Discussion of the Results

Levels of giving did not appear to be significantly related to a company's attitudes towards giving

(HG1, Tabele 1). These findings do not support the theory that corporate attitudes are predictive of corporate behavior as they relate to a company's level of giving (see Attitude Theories, p. 12). Though, corporate attitudes were predictive of the companies' perception of the value of being philanthropic in an altruistic sense (H2A and H4.1, Table 1). Corporate attitudes towards giving were also predictive of the companies' perception of the value of being philanthropic seen as enlightened self-interest (H2B and H4.2, Table 1). Company profiles did not seem to be predictive of a company's perspective in terms of being philanthropic for altruistic or enlightened self-interest reasons (H3A, H3B, HG5, Table 1).

As one could see from the results based on the identification of significant correlations in H6.1 (Tabel 2), companies prefer to give nationally or to research and doctoral universities for the sake of enhancing their business interest. On the other hand, 4-year institutions might be more supported by companies for the reason of enlightened self-interest, and private institutions for altruistic or socially responsible reasons. As indicated by the results on H7.1 (Table 3), national giving is preferred by corporate donors that can be described by Profile 3 (philanthropically senior management controlled with selective giving). Public institutions seem to attract the corporate donor which makes giving to charity a priority. Four-year institutions appear to be the least favored by corporate

Table 1

Summary of Hypotheses Tested

Hypothesis	R^2_F	R^2_R	df	F	p	Sign.
H1.1	.077	.000	9/201	0.2975	.9748	NS
H1.2	.077	.068	2/201	1.0732	.3439	NS
H1.3	.077	.074	2/201	0.3319	.7180	NS
H1.4	.077	.074	3/201	0.2892	.8332	NS
H2A.1	.106	.000	9/198	2.5569	.0084	S
H2A.2	.106	.066	2/198	4.3833	.0137	S
H2A.3	.106	.102	2/198	0.4432	.6426	NS
H2A.4	.106	.052	3/198	3.9158	.0096	S
H2B.1	.342	.000	9/203	9.0708	.0001	S
H2B.2	.342	.330	2/203	1.8781	.1555	NS
H2B.3	.342	.327	2/203	2.3563	.0974	NS
H2B.4	.342	.153	3/203	19.4731	.0001	S
H3A.1	.011	.000	3/228	0.4826	.6947	NS
H3A.2	.011	.007	1/228	1.0031	.3176	NS
H3A.3	.011	.006	1/228	1.2547	.2638	NS
H3A.4	.011	.011	1/228	0.0060	.9381	NS
H3A.5	.011	.006	1/228	1.3068	.2542	NS
H3B.1	.052	.000	3/235	3.5768	.0147	NS
H3B.2	.052	.044	1/235	1.9687	.1619	NS
H3B.3	.052	.034	1/235	4.4545	.0359	NS
H3B.4	.052	.045	1/235	1.8298	.1775	NS
H3B.5	.052	.050	1/235	0.6357	.4261	NS
H4.1	.117	.011	9/194	2.5795	.0079	S
H4.2	.368	.111	9/199	8.9733	.0001	S
H5.1	.117	.108	3/194	0.6335	.5942	NS
H5.2	.368	.343	3/199	2.6235	.0517	NS

Table 2

Significant Relationships Between Components of Attitudes and Preferences in Giving to Academic Fields (H6.2)

Academic Field	FC1 Social Respons. R/p	FC2 Business Interest R/p	FC3 R&D/ Taxes R/p	FB1 Altruism R/p	FB2 Self-Int. for Giving R/p	FB3 Prestige R/p	FA1 Enlight Self-Int. R/p	FA2 R&D R/p	FA3 Tax Incentive R/p	FA4 Corp. Giving R/p
Science/ Engineering	--	--	--	-.22449 .0007*	.19881 .0024*	--	--	.24626 .0002*	--	--
Law	--	--	--	--	--	--	--	--	--	--
Humanities	--	--	--	.24869 .0002*	--	--	--	--	--	--
Social Sciences	--	--	--	.13309 .0457	--	--	--	--	--	--
Business	.16988 .0109	.12267 .0675	--	--	--	.16817 .0105	--	--	--	.13276 .0443
General Support	--	--	--	.33265 .0001*	--	--	--	.14549 .0299	.14738 .0278	--

Note. Alpha = .05. *Meets the Adjusted Alpha at .003.

Table 3

Significant Relationships Between Corporate Profiles and Preferences in Giving to Institutions (H7.1)

Institution	Profile 1 Structured/ Above Avg. in Giving R^2/p	Profile 2 Priority to Give to Charity R^2/p	Profile 3 Senior Manag. Controlled/ Select Giving R^2/p	Profile 4 Priority to Give to Higher Educ. R^2/p
Doctoral/ Research	--	--	.16437	--
Liberal Arts	--	--	--	--
4-Year	-.19300 .00320*	--	--	--
National	--	--	.22329 .00060*	--
Local/ Regional	--	--	--	--
Community College	--	-.12774 .05250	--	--
Junior College	--	--	--	--
Public	--	-.12668 .05450	--	--
Private	-.13263 .04400	--	--	--

Note. Alpha = .05 *Meets the adjusted Alpha at .0042.

donors who have a structured giving program and give above average.

As indicated by H6.2 (Table 4), self-interest and R&D seem to be reasons for corporate giving to sciences and engineering while altruistic motives appear most unlikely. The humanities, social sciences, and general support are given to most likely for altruistic reason.

Based upon H7.2 (Table 5), sciences and engineering might be more considered by companies that declared giving to charity a priority, which is rather surprising because it was to be expected that sciences/engineering would be favored by companies that had declared giving to higher education a priority. Giving to general support is more preferred by companies that have a structured giving program and give above average.

The findings of the discriminant analysis (Table 6) indicated that company profiles were mostly nonpredictive and components of attitudes were predictive of a company's giving at the national versus local/regional level, its giving to public versus private institutions, to research/doctoral versus liberal arts institutions, to the field of sciences/engineering versus to the humanities, or to the field of law versus business. Prestige and an interest in research and development play a role in corporate giving with respect to giving at a national level. Companies that are philanthropically senior management controlled tend to give at the national level. In contrast, companies which set a priority to give to charity or companies which prioritize

Table 4

Significant Relationships Between Components of Attitudes and Preferences in Giving to Institutions (H6.1)

Institution	FC1 Social Respons. R/p	FC2 Business Interest R/p	FC3 R&D/ Taxes R/p	FB1 Altruism R/p	FB2 Self-Int. for Giving R/p	FB3 Prestige R/p	FA1 Enlight Self-Int. R/p	FA2 R&D R/p	FA3 Tax Incentive R/p	FA4 Corp. Giving R/p
Research/ Doctoral	--	.19581 .0033*	.17970 .0066	--	.21385 .0011*	--	.13932 .0359	.28198 .0001*	--	--
Liberal Arts	.20644 .0019*	--	--	.43711 .0001	--	--	--	--	--	.16392 .0128
4-Year	.14828 .0261	.15498 .0206	--	.15949 .0167	--	--	.22911 .0005*	--	--	.22551 .0006*
National	.24763 .0002*	.20137 .0025*	--	.15108 .0234	--	--	--	.14562 .0297	--	.20464 .0018*
Local/ Regional	--	--	--	.16724 .0120	.17935 .0063	--	--	--	--	--
Community Regional	--	--	-.11727 .0779	.15131 .0232	--	--	--	--	--	--
Junior College	--	--	--	.15496 .0200	--	--	--	--	--	--
Public	.13656 .0407	.16832 .0118	--	--	--	--	--	--	--	.13352 .0431
Private	.20219 .0023*	--	--	.27318 .0001*	.17827 .0066	--	--	.13853 .0387	--	.24021 .0002*

Note. Alpha = .05. *Meets the Adjusted Alpha at .0042.

Table 5

Significant Relationships Between Corporate Profiles and Preferences in Giving to Academic Fields (H7.2)

Institution	Profile 1 Structured/ Above Avg. in Giving R^2/p	Profile 2 Priority to Give to Charity R^2/p	Profile 3 Senior Manag. Controlled/ Select Giving R^2/p	Profile 4 Priority to Give to Higher Educ. R^2/p
Science/ Research	--	-.24084 .00020*	.12768 .05260	--
Law	--	--	--	--
Humanities	--	--	--	--
Social Sciences	--	--	--	.18783 .00420
Business	--	--	--	--
General Support	-.19914 .00240*	--	-.13111 .04650	.17247 .00860

Note. Alpha = .05 *Meets the adjusted Alpha at .003.

Table 6

Summary of Results of Discriminant Analysis

Areas To be Given to	R^2_F	R^2_R	df	F	p	Sign
Components/ NLOR	.242	.000	9/97	3.1120	.0025	S
Profiles/ NLOR	.292	.000	3/188	14.5446	.0001	S
Components/ PUBPRI	.401	.000	9/40	2.5275	.0213	S
Profiles/ PUBPRI	.026	.000	3/51	0.4594	.7119	NS
Components/ REDLIB	.535	.000	9/66	8.4059	.0001	S
Profiles/ REDLIB	.112	.000	3/84	3.2317	.0264	S
Components/ SIEHUM	.220	.000	9/102	3.1858	.0020	S
Profiles/ SIEHUM	.032	.000	3/126	1.2890	.2811	NS
Components/ LAWBUS	.045	.000	9/98	0.5112	.8634	NS
Profiles/ LAWBUS	.014	.000	3/117	0.5448	.6526	NS

Table 7

Factors FC1-FA4 Predicting the Perception of Tax Incentives

Item/ Predictor	R^2_F	R^2_R	df	F	p	Sign.
S1Q11/ FC1-FA4	.642	.034	9/203	38.3240	.0001	S
S2Q7/ FC1-FA4	.362	.091	9/203	9.5819	.0001	S

Note. N = 214. Alpha = .05.

giving to higher education tend to give at the local/regional level.

Research and development appears to have some significance in terms of corporate giving to public institutions while the notion of altruism and tax incentives seems to underly giving to private institutions. Research and development play an additional a role in corporate giving to research/doctoral institutions and, again, altruism is considered a motivation towards giving to liberal arts colleges. Self-interest is indicated when giving to the field of sciences/engineering while the belief of altruism and enlightened self-interest appear to be indicators for giving to the humanities. No discrimination could be found between corporate giving to law and business.

The results demonstrate that giving nationally, giving to public or research/doctoral institutions, or to the field of sciences/engineering, is based on a company's self- or business interest. In contrast, giving to private institutions, liberal arts colleges, or the humanities, is anchored in a sense of altruism and enlightend self-interest.

As identified by the analysis on tax incentives (Table 7), the components of attitudes were indicative of a company's perception of the importance of tax incentives while demographic data about a company did not provide any predictive notion to that end. The latter is understandable since tax incentives do not vary with giving geographically, academically, or institutionally in a any way. Tax incentives were not

considered relevant in terms of giving to certain types of institutions.

The investigation of the correlation matrices revealed that the factors of enlightened self-interest, research and development, self-interest for giving, tax incentives, social responsibility, and the value of corporate giving (in order from stronger to weaker correlation) constitute an attitudinal basis for corporate giving to universities and colleges. These attitudinal factors were correlated significantly with a company's level of giving. As expected, altruism did not seem to be significant as an attitudinal factor for corporate giving in terms of giving level.

Industrial affiliation in relation to a company's attitudes and giving behavior did not appear to be of pronounced relevance within the context of this study. However, it is to be noted that the highest number of respondents to this survey were located in the banking, utilities, diversified services, chemical, life insurance, electronics/appliances, and diversified financial industries. While all eight service industries responded, no responses were received from industrial companies in the leather, jewelry/silverware, and toys/sporting goods industries.

Between 1987 and 1990, 44.0% of the companies increased their level of giving to higher education, 42.7 percent maintained the same level while 13.3% decreased the level of giving. Within the next five years corporate giving behavior

might change in terms of giving to higher education while this behavior may result in expanding giving to secondary and elementary education. Fourty and one-half percent of the companies indicated that they projected an increase in giving to higher education, 58.2% projected an increase in giving to secondary education, and 50.2% to elementary education. These projections coincide with a trend mentioned earlier in this study where it was indicated that high schools became recipients of 58% of corporate contributions in contrast to graduate schools, which received 52% of corporate contributions (Kuhn, 1990). Considering that secondary education has become a serious competitor to higher education in securing private funds, innovative fundraising ideas and strategies are called for to keep corporate fundraising viable for universities and colleges.

The findings of this study need to be considered with the awareness that this research was conducted in a particular moment in time. Economic changes, educational needs and reforms, organizational restructuring, shifting markets and political agendas are all part of a fluent conglomeration influencing corporate giving and American higher education. The observations made in this study reflect a condition present in the early 1990's. A study of a similar nature conducted in the mid 1980's might have brought forth quite different results with respect to corporate attitudes and giving to universities and colleges. Furthermore, the study investigates a certain spectrum of concerns and views as they relate to corporate philanthropy and

attitudes. This spectrum was defined by the researcher, which implies the conscious exclusion or unintentional oversight of additional elements affiliated with attitudes and corporate giving. Nevertheless, the defining and limiting of the study in this way was justified by a need for focus. The above needs to be taken into consideration when progressing through the following paragraphs.

The findings of the study support the claim made by Hayden Smith in 1988, then Senior Vice President of the Council of Financial Aid to Education, (see Chapter I) that:

> ... in no case ... is such [corporate] giving considered philanthropic in the classical sense. Corporate giving is not altruistic. Unlike private foundations, corporations do not exist to give money away to charitable enterprise; ...". (p. 7)

Levels of giving do not appear to be significantly predictive of a company's perception of the value of being philanthropic in an altruistic and enlightened self-interest sense. Based on the correlational analysis, altruism was not found to be predictive of the level of giving.

The findings of this study compare with results of previous research in the following way: The Conference Board study (1976) rated social responsibility as the highest and self-interest as second to highest as reasons for giving to charitable causes. The findings of the research at hand clearly indicate that a company's business interest is most predictive of its giving to American higher education. This is further contrasted by White and Bartolomeo's (1982) findings which consider helping

the needy in the community in which the company is located as the highest goal for corporate giving to charity. Corcoran (1987) mentions maintaining good community relations as the most agreed upon reason for corporate support while Tudor (1988) presents community enhancement or involvement as the greatest benefit derived from corporate philanthropy followed next by improved public image for the corporations. In the Tudor study, tax advantages and enhancing a company's market place are considered of smallest benefit for a company. Differences in findings between the current research and earlier studies might have to do with the time or period during which the respective studies were conducted. Additionally, higher education can meet certain corporate needs no other charitable entity can, such as providing research and development or a pool of well qualified potential future employees. Differences might be further due to the fact that the cited studies above investigated corporate attitudes and giving to charitable causes in general while this study dealt with corporate attitude and giving to American higher education in particular.

Implications

One of the major findings of this study was that corporate giving is rather based on business interest than it is on altruism. Although this point of view has been voiced anecdotally by leaders in the philanthropic and business communities in the past, the study at hand provides the empirical research support for this view. If indeed business interest is a

major motivational factor prompting corporations to give to universities and colleges, fundraisers and administrators might be advised to consider this aspect in their solicitations.

The analysis revealed that demographic characteristics of companies as represented in the profiles were more predictive of the level of corporate giving than the components of attitudes were. The researcher infers from these findings that taking company profiles into consideration when conducting prospect research of corporations might yield the most effective way of matching corporate donors with donee institutions. On the other hand, the indication that the components of attitudes were found to be predictive of companies' perceptions of the value of being philanthropic based on altruism suggests that corporate donors might believe that they give for altruistic and enlightened self-interest reasons. Knowing of this belief, fundraisers might incorporate this knowledge in their fundraising pitches when approaching companies.

By identifying profiles of companies, this study provides an observational tool for grantseeking administrators. These profiles could enable them to distinguish between types of companies based on their giving behavior, giving program, and/or philanthropic management. The study is the first of its kind which offers the notion of company profiles to fundraisers in order to identify more quickly and effectively appropriate corporate donors.

On the basis of the findings, the researcher recommends

that national donee institutions identify corporate donors that were characterized by Profile 3 (philanthropically senior management controlled and selective in giving). Local institutions are advised to search out companies that were described under the three remaining profiles, namely, the ones which have either a structured giving program and give at an increased level to higher education, or have made giving to charity a priority and give at a constant level to higher education, or have made giving to higher education a priority and have a less structured giving program.

When fundraising for a university or college with a research or science/engineering emphasis, administrators might want to know that companies who prefer to support those kinds of institutions give for reasons such as business interest. On the the other hand, when fundraising for a private institution, a liberal arts college, or the humanities fundraisers need to be aware that companies consider their giving to be altruistically motivated. Donee institutions may want to design their solicitation proposals with these perceptions in mind.

An additional suggestion arises out of the study with respect to the projection of increased corporate funding to secondary and elementary education. In order to address a societal as well as corporate concern regarding the improvement of pre-college education, universities and colleges might consider developing collaborations with secondary schools. This will provide opportunities to the higher educational community to

participate in a possible amelioration of pre-college education while coordinating fundraising efforts with the secondary educational community and, thus, enabling higher educational institutions to continue to receive funds at increasing levels. In any case, American higher education might want to take a look at where its priorities lie with respect to corporate donors.

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